

UNITED STATES OF AMERICA  
BEFORE THE NATIONAL LABOR RELATIONS BOARD  
SAN FRANCISCO DIVISION OF JUDGES

UTILITY WORKERS UNION OF AMERICA, AFL–CIO (UWUA);  
INTERNATIONAL CHEMICAL WORKERS UNION COUNCIL-  
UFCW (ICWUC); AND THE UWUA-ICWUC JOINT STEERING  
COMMITTEE (JSC)

and

Case 21–CB–14820

SOUTHERN CALIFORNIA GAS COMPANY

*Irma Hernández* for the Acting  
General Counsel.

*Ellen Greenstone, Rothner, Segall, (Greenstone & Leheny)* of  
Pasadena, California, for the Respondents Utility Workers  
Union of America, AFL–CIO (UWUA) and the UWUA-ICWUC  
Joint Steering Committee (JSC).

*Randall Vehar, Robert Lawrey (on brief)* of Akron, Ohio, for  
Respondent International Chemical Workers Union Council-  
UFCW (ICWUC).

*Linda Van Winkle Deacon, Barrilyn Friedland (on brief), Bate,  
Peterson, Deacon, Zinn & Young LLP*, of Los Angeles,  
California, for the Charging Party.

*Christopher M. Bissonnette (Sempra Energy Law Department)*,  
of Los Angeles, California, for the Charging Party.

DECISION

**MARY MILLER CRACRAFT**, Administrative Law Judge. The Acting General Counsel alleges that the Utility Workers Union of America, AFL–CIO, (UWUA), International Chemical Workers Union Council-UFCW (ICWUC), and the UWUA-ICWUC Joint Steering Committee (JSC), jointly referred to as Respondents, violated their duty to bargain in good faith as set forth in Section 8(b)(3) of the National Labor Relations Act (the Act)<sup>1</sup> by failing and refusing to execute and delaying execution of a collective-bargaining agreement between Respondents

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<sup>1</sup> Sec. 8(b)(3), 29 U.S.C. §158(b)(3), provides that it shall be an unfair labor practice for a labor organization to refuse to bargain collectively with an employer, provided it is the representative of his employees subject to the provisions of § 9(a). Sec. 9(a), 29 U.S.C. §159(a), provides, in relevant part, that representatives designated or selected for the purposes of collective bargaining by the majority of employees in a unit appropriate for such purposes, shall be the exclusive representative of all the employees in such unit for the purposes of collective bargaining in respect to rates of pay, wages, hours of employment, or other conditions of employment.

and Southern California Gas Company (SCG). The case was tried in Los Angeles, California, on June 30 and July 1, 2010.<sup>2</sup>

### A. Summary

The parties' 2005–2008 collective-bargaining agreement contained a side letter of agreement dated March 1994 which provided, in part, that part-time employees were employees at will. Another side letter of agreement, dated January 2005, provided that part-time employees were entitled to just cause provisions of the contract. During the 2008-2009 negotiations for a successor contract, both side letters of agreement were renegotiated but neither the at-will nor the just-cause language was altered. However, renegotiation caused the dates of both side letters of agreement to be changed to March 2009. The parties agree that a tentative agreement was reached on January 21, 2009. The parties agree that the tentative agreement was ratified and implemented. It is undisputed that no suggestion was ever made during the editing process that the dates on the two side letters of agreement should be changed from the March 2009 date. However, shortly before the meeting set for signing the final booklet form of the contract, the employer stated during an arbitration hearing that part-time employees were at will and not entitled to the just-cause provisions of the contract. Based on this employer statement, the unions refused to sign the booklet form of the contract. Eventually, the employer "clarified" its arbitration position in a manner that satisfied the unions. The issue herein is whether refusal to sign and delay in refusal to sign violated Section 8(b)(3) of the Act.

On the entire record, including my observation of the demeanor of the witnesses,<sup>3</sup> and after considering the briefs filed by counsel for the Acting General Counsel and counsel for the Respondents and for the Charging Party, I make the following finding of facts and conclusions of law.

### B. Findings of Fact

SCG, a public utility company engaged in the generation and distribution of natural gas in Southern California, is an employer engaged in commerce within the meaning of Section 2(2), (6) and (7) of the Act.

SCG, a California corporation, has its principal place of business and office located in Los Angeles, California, with various other facilities in California. During the 12-month period ending March 30, 2010, SCG derived gross revenue in excess of \$250,000 and purchased and received at its California facilities goods valued in excess of \$50,000 directly from points outside the State of California. SCG admits, and I find, that it is an employer engaged in commerce within the meaning of Section 2(2), (6) and (7) of the Act.

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<sup>2</sup> The original charge was filed by SCG on November 13, 2009. An amended charge was filed on May 7, 2010. The initial complaint issued on March 31, 2010, and the amended complaint issued June 14, 2010.

<sup>3</sup> Credibility resolutions have been made based upon a review of the entire record and all exhibits in this proceeding. Witness demeanor and inherent probability of the testimony have been utilized to assess credibility. Testimony contrary to my findings has been discredited on some occasions because it was in conflict with credited testimony or documents or because it was inherently incredible and unworthy of belief.

UWUA and ICWUC, labor organizations within the meaning of Section 2(5) of the Act, are the joint collective-bargaining representative (Joint Representative) of an appropriate unit of SCG's utility and chemical employees as described in the parties collective-bargaining agreement.

5 All parties admit, and I find, that UWUA and ICWUC are labor organizations within the meaning of Section 2(5) of the Act. Since the 1970 certification, the Joint Representative has been recognized as the joint exclusive bargaining representative of about 5600 utility and chemical employees in a unit described in Section 2.2(A) of the parties 2009–2011 contract. All parties agree and I find that this unit is appropriate for purposes of bargaining within the meaning of Section 9(b) of the Act.

JSC was an agent of the Joint Representative for the purposes of bargaining a successor collective-bargaining agreement to the 2005–2008 agreement.

15 JSC was established shortly after the NLRB certified the Joint Representative. Since 1970, the Joint Representative has designated JSC as its agent to administer contracts, handle grievances, and bargain collectively on its behalf. JSC is comprised of the presidents from each of the nearby area locals of UWUA and ICWUC including UWUA Locals 132, 170, 483, and 522 as well as ICWUC Locals 48, 78, 350, and 995. JSC includes four officer positions: chairperson, first vice chair, second vice chair, and secretary.

20 Respondents stipulate, for the purposes of this case only, that JSC is an agent of UWUA and ICWUC, for the purpose of bargaining a successor collective-bargaining agreement to the 2005–2008 collective-bargaining agreement.

25 In June 2008, JSC and SCG began negotiating a collective-bargaining agreement to succeed the 2005–2008 agreement which by its terms was set to expire on October 1, 2008.

30 The negotiators for SCG included Sara Franke (Franke), director of labor relations and chief negotiator for SCG, and Sue Bosworth (Bosworth). Initially, the chief negotiator for JSC was Helen Olague-Pimentel (Olague-Pimentel).<sup>4</sup> Subsequently, John Duffy (Duffy) became chief negotiator for JSC.

The 2005–2008 collective-bargaining agreement between SCG and Respondents contained multiple provisions regarding the rights of part-time employees.

35 Two particular provisions of the 2005–2008 contract are relevant here. Side Letter of Agreement 189 (Side Letter 189) deals with, inter alia, the at-will employee status for part-time employees. Side Letter of Agreement 195 (Side Letter 195) applies good cause standards set forth in the contract to disciplinary actions concerning some part-time employees. Both side letters appear in the 2005–2008 contract, Appendix C, as follows:

40 Side Letter of Agreement 189 (2005-2008 contract)

45 Part-time and full-time temporary employees in bargaining unit positions shall become part of the unit after 520 hours of continuous employment in a 12-month period. Calculation of hours worked will begin the first of the month immediately following signing of the contract.

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<sup>4</sup> Olague-Pimentel's name is corrected from Olague-Pimental to Olague-Pimentel pursuant to the General Counsel's unopposed motion to correct.

They will pay prorata dues or dues equivalent after 520 hours of continuous employment in a 12-month period.

The only part of the contract which applies to part-time and full-time temporary employees is Section 4.1 (A) (excluding premiums not currently paid to part-time or full-time temporary employees).

As in the past, part-time and full-time temporary employees are terminable at will. Dues check-off will be initiated as soon as programming changes are made.  
This should be about September 1, 1994.

Accepted:

Dale J. Viot  
For the Union

G. Joyce Rowland  
For the Company

Date: 3/9/94

3/9/94

**Note:** In addition to the above, part-time employees are accorded bidding rights under Section 5.10 (Position Opportunity and Placement).

Side Letter of Agreement 195 (2005-2008 contract), provides, in pertinent part:

The Company and Union agree,

Part Time employees with 6 months of service will be afforded all rights under Article VI for any discipline received from Section 6.3A or. Section 6.3B.

S.J. Bosworth  
For the Company  
Date: 01/01/05

Marta Rodriguez-Harris  
For the Union  
Date: 01/01/05<sup>5</sup>

Article VI of the 2005–2008 collective-bargaining agreement covered dispute resolution rights of both SCG and its bargaining unit employees. Section 6.3A and B dealt with just cause for discipline or termination.

During successor contract negotiations, JSC and SCG agreed to changes in Side Letter 189.

On June 26, 2008, JSC presented a proposal labeled U-83-A to SCG. Proposal U-83-A (U-83-A) sought to change the language of Side Letter 189 of the 2005–2008 collective-bargaining agreement and the rights of part-time unit employees. U-83-A read as follows:<sup>6</sup>

<sup>5</sup> This side letter of agreement, which gave part-time employees access to Article VI, was first negotiated in 2002.

<sup>6</sup> It was a past practice of both the SCG and JSC to write proposals and counter proposals with strikethrough language, so the other party could see what changes were being proposed. Strikethrough language also indicated what words the proposing party wanted to eliminate. Bold font was used to note what language the proposing party wanted to add. It was a past practice only of SCG in making counter proposals to give the other bargaining party a counter proposal consisting of two documents. The first document would be a summary page of what part of Respondent-JSC's proposal that the SCG is agreeing to. The second document would

Continued

## LETTER OF AGREEMENT

Part-time and full-time temporary employees in bargaining unit positions shall become part of the unit after 520 hours of ~~continuous~~ **cumulative** employment in ~~a 12-month period~~. Calculation of hours worked will begin the first of the month immediately following signing of the contract.

They will pay prorata [sic] dues or dues equivalent after 520 hours of ~~continuous~~ **cumulative** employment in ~~a 12-month period~~ **and dues check-off will be initiated.**

~~The only part of the contract which applies to part time and full time temporary employees is Section 4.1(A) (excluding premiums not currently paid to part time and full time temporary employees).~~

~~As in the past, part time and full time temporary employees are terminable at will. Dues check-off will be initiated as soon as programming changes are made. This should be about September 1, 1994.~~

**Note:** In addition to the above, part-time employees are accorded bidding rights under Section 5.10 (Position Opportunity and Placement).

On July 31, 2008, SCG made a counter proposal to U-83-A (Counter U-83-A). Counter U-83-A included two documents. The first document of Counter U-83-A stated, "The Company agrees to move from "continuous" to "cumulative" hours for the purpose of collecting dues from part time [sic] employees as proposed by the Union. This is contingent on the Union accepting C-8 (electronic process of dues authorization) and withdrawing U-16 (we believe the Union's proposal may already be accommodated on page 103 of the contract)." The second document of the Counter U-83-A read as follows:

**Company Counter to U-83-A**

## LETTER OF AGREEMENT

Part-time and full-time temporary employees in bargaining unit positions shall become part of the unit after 520 hours of ~~continuous~~ **cumulative** employment. ~~In a 12-month period.~~ **This change will become effective 1/1/2009 to allow for programming changes to be implemented.** ~~Calculation of hours worked will begin the first of the month immediately following signing of the contract.~~

They will pay pro rata dues or dues equivalent after 520 hours of ~~continuous~~ **cumulative**-employment. ~~in a 12-month period.~~ The only part of the contract which applies to part-time and full-time temporary employees is Section 4.1 (A) (excluding premiums not currently paid to part-time or full-time temporary employees).

include the counter proposal which includes strikethrough language and counter proposal language. Neither of these two documents are stapled together. Counter-proposals issued by JSC members do not typically include a summary page which summarizes the part of the original proposal JSC members are agreeing to.

As in the past, part-time and full-time temporary employees are terminable at will.  
Dues check-off will be initiated as soon as programming changes are made.  
This should be about September 1, 1994.

Accepted:

_____ Dale J. Viot _____	_____ G. Joyce Rowland _____
_____ For the Union _____	_____ For the Company _____
Date: _____ 3/9/94 _____	_____ 3/9/94 _____

Note: In addition to the above, part-time employees are accorded bidding rights under Section 5.10 (Position Opportunity and Placement).

For the Company	For the Union
Sue Bosworth	Louis Correa
Date:	Date:

The strike through of prior signatories, Dale J. Viot for the Union and G. Joyce Rowland for the Company, and the strike through of the date "3/9/94" was standard practice between the parties. As Franke explained, "when a letter agreement is changed, substantively we change the signatories and the date to reflect when those changes were made." Franke testified that this practice applied to all side letters of agreement. Her unrebutted testimony is consistent with the drafts of Appendix C. I credit her testimony regarding this practice.

SCG received JSC's acceptance of Counter U-83-A on September 18, 2008.

On October 18, 2008, JSC and SCG reached a tentative agreement subject to ratification. The agreement was rejected by the membership on November 7, 2008.

The parties reached a tentative agreement on October 18, 2008. In format, the tentative agreement cross references all the accepted strikethrough contract language. The only strikethrough language that was attached to the tentative agreement was the terms that were still in the process of being finalized. The tentative agreement included Counter U-83-A. The October 18, 2008 tentative agreement, however, was rejected by the bargaining unit through a unit wide vote. After this rejection, Duffy became the chief negotiator for JSC.

Franke testified that a tentative agreement is a summary of all the accepted strikethrough contract language. The summaries of each term reference the actual proposal number. The only strikethrough language that was attached to the tentative agreements would be the terms that were still in the process of being finalized. I note that no other witness contradicted her description of this process and that the tentative agreements in the record comport with her description.

JSC and the SCG reached a second tentative agreement in December 2008. It was subsequently ratified by the membership.

In December 2008, the parties returned to the bargaining table in order to bargain a second tentative agreement. Duffy indicated to Franke that he wanted to leave the first tentative agreement completely intact except for the items that he felt caused the "no" vote; i.e., sick leave, pension, wages, and a local hiring plan. Counter U-83-A, which was embodied in the first

tentative agreement, remained intact, except for the effective date which was changed to April 1, 2009. The parties reached a second tentative agreement on January 31, 2009 and signed the tentative agreement that day. The parties also agreed to extend the 2005–2008 contract to February 28, 2009, to allow time for ratification. Counter U-83-A, with the April 1, 2009 effective date, was integrated into this second tentative agreement. The second tentative agreement was ratified by the membership on February 25, 2009.

JSC and SCG engaged in a proof-reading process from March 2009 to November 2009, in order to finalize language of the 2009–2011 collective-bargaining agreement.

According to the bargaining parties' past practice, JSC proof read the SCG-prepared collective-bargaining agreement drafts for typographical errors, language errors, missing language, and non-approved language additions. JSC, typically through e-mail correspondence, alerted SCG of any changes or corrections that needed to be made. SCG then made corrections and changes to the draft collective-bargaining agreement and sent the draft back to JSC for further proof-reading and approval.

One substantive disagreement occurred during the editing process. This disagreement concerned implementation of the agreement on sick leave. This issue was resolved through negotiations from April through September 2009 and ultimately resolved on September 9, 2009.

In March 2009, SCG started to assemble all of the strikethrough language into one document that would eventually be proof-read by JSC. During this proof-reading process, SCG, as best as it could, implemented the new agreement which became effective on March 1, 2009. On March 11, 2009, SCG gave a first draft of the agreement to JSC for proof-reading. This first draft was not a complete draft, but it was as much as SCG had put together at the time.

On April 6, 2009, SCG provided Appendix C to JSC to proof-read. Appendix C contained all of the side letters of agreements which would be placed at the end of the contract. Contained within Appendix C was Counter U-83-A, which was written exactly the same as the Counter U-83-A proposal that had been accepted by the Respondents on September 18, 2008. The only change to Counter U-83-A was the date, March 1, 2009, the date on which SCG produced this draft and also the effective date of the new contract. The only change that JSC asked to make in regards to Counter U-83-A during the proof-reading process was to change Louis Correa's name to John Duffy on side letter of agreement and all of the other side letters of agreements.

A substantive change was also made in Side Letter 195. That agreement was set forth in the April 6, 2009, version of Appendix C. Side Letter 195 was thus dated March 1, 2009, as well.

After the first round of edits submitted by JSC, SCG corrected the problems and gave the updated draft back to JSC on September 23, 2009 for more proof-reading. SCG did not make any changes to Counter U-83-A embodied in this draft either. On November 2, 2009, JSC's Olague-Pimentel e-mailed SCG's Bosworth another list of corrections. This list of modifications also did not suggest any changes or corrections to Counter U-83-A.

JSC and SCG agreed to meet on November 12, 2009 in order to sign and execute the final edited agreement.

On November 3, 2009, JSC proofreader Allen sent another list of typographical corrections to SCG in order to correct the final draft agreement. The bargaining parties also met that same day. At this meeting, JSC received an updated copy of Appendices A, B, and C.

These appendices comprised the complete packet of all the side letter of agreements which were to be included at the end of the final draft of the 2009–2011 collective-bargaining agreement.<sup>7</sup> This November 3 “blue line” or printable version of the appendices did not contain the strikethrough or bolded language of the tentative agreement. Moreover, John Duffy’s name was substituted as the union signatory in this version of the appendices. Side Letters 189 and 195 were both dated March 1, 2009.

Franke testified that during this meeting the parties discussed finalizing the collective-bargaining agreement. Moreover, Franke testified that the parties agreed to meet on November 12, 2009 in order to sign and execute the agreement, so that the contract could be delivered to the printer by the November 13, 2009 deadline.<sup>8</sup> Duffy, on the other hand, testified that he did not know about a specific time for signing but he admitted that “around that time it seemed as though we had sorted out all the differences.” I credit Franke’s testimony that the parties agreed to meet on November 12, 2009, in order to sign the final agreement. Moreover, I note that Logan agreed that JSC requested the signature page of the contract be provided early because some of the JSC members might have to leave the November 12 meeting early.<sup>9</sup> SCG’s Bosworth e-mailed JSC’s Olague-Pimentel on November 11, 2009, regarding obtaining signatures “tomorrow” and attached the signature page to obtain electronic signatures of JSC members who could not be present on November 12, 2009. Olague-Pimentel informed SCG that Duffy would not be present on November 12 but stated that she had already obtained his signature.<sup>10</sup> Based on Franke’s testimony and other documentary evidence and the record as a whole, I find that there was an agreement to sign the contract on November 12, 2009.

On November 4, 2009, during an arbitration agreement, SCG took the position that part-time employees were “at will” and not entitled a just cause standard for discipline.

On November 4, 2009, SCG and UWUA began an arbitration proceeding involving the termination of part-time employee Madrigal (herein the Madrigal arbitration). The Madrigal arbitration hearing lasted 5 nonconsecutive days and was completely unrelated to the collective-

<sup>7</sup> The bargaining parties agreed that it was unnecessary to attach Appendices D – G to the final contract.

<sup>8</sup> The date by which the contract needed to be signed was important to SCG. If the contract was not signed and to the printer by November 13, 2009, then the contract would not be printed and returned to the SCG in time to be distributed before the end of the year. Moreover, SCG budgeted \$35,000 for printing in the 2009 budget.

<sup>9</sup> Logan testified that she did not understand the November 11 e-mail referring to getting signatures tomorrow to mean there was a date certain for signing. She denied that there was an agreement to sign the blue line form of the contract on November 12. Moreover, Logan admitted that JSC members decided on the morning of November 12 NOT to sign the contract. I find her denial of agreement to sign disingenuous in light of surrounding documents and circumstances which indicate there was an agreement to sign on November 12. Why make a decision not to sign if there is no agreement to sign? Accordingly, I discredit Logan’s testimony that there was no agreement to sign on November 12.

<sup>10</sup> JSC’s John Lewis, vice-president and regional director for ICWUC, participated in the 2008–2009 negotiations. He initially testified that he was aware that SCG would provide a final draft for proofreading and that “shortly before the parties were to meet to finalize and sign” the agreement, he learned of SCG’s statement in the Madrigal arbitration. Lewis’ testimony lends credence to that of Franke—that there was an agreement to meet and finalize and sign the agreement and that the date was shortly after the first day of the Madrigal arbitration (November 4, 2009).



bargaining negotiations. During the first day of the Madrigal arbitration proceedings, SCG stated that it did not violate the contract when it terminated Madrigal because she was part-time. SCG further stated that part-time employees were at-will employees and had been since 1994 as evidenced by Side Letter 189. SCG's statement of the history and interpretation of side letter of agreement 189 was entirely different from the understanding held by UWUA. UWUA interpreted Side Letter 195 to co-exist and essentially trump Side Letter 189. In other words, while Side Letter 189 stated that part-time employees were at-will employees, Side Letter 195 incorporated Article 6 standards for part-time employees. SCG's contrary interpretation of the at-will status of part-time employees was reported to both Duffy and Olague-Pimentel.

JSC and SCG met as planned on November 12, 2009, but JSC refused to sign the contract solely because of SCG's statements regarding part-time employee just-cause rights during the Madrigal arbitration hearing.

On the morning of November 12, 2009 at around 10:00 am, the bargaining parties met to discuss various issues including signing the 2009-2011 collective-bargaining agreement. Before the meeting, Olague-Pimentel informed the other representatives of JSC that they would not be signing the contract that day due to the comments made by SCG's lawyer during the November 4 session of the Madrigal arbitration regarding the at-will status of part-time employees.

During the November 12 meeting, Olague-Pimentel, who was the chief spokesperson for JSC for this meeting (as Duffy could not attend), informed SCG that she had been instructed by union counsel not to sign the contract. Franke testified that "Helen Olague-Pimentel...said that she had been instructed by union counsel not to sign the contract. She said there was an arbitration meeting the week prior and the company was claiming that part-time employees were at-will in the arbitration proceeding, and the union disagreed that part-time employees are at-will, and therefore they refused to sign the contract because they had been instructed by legal not to sign the contract." None of the Respondents' witnesses gave contrary testimony regarding Franke's recounting of Olague-Pimentel statements at the November 12, 2009 meeting.<sup>11</sup> Olague-Pimentel did not testify. Indeed, JSC's Lewis also agreed that in deciding not to sign the agreement on November 12, 2009, the only reason was SCG's position in the Madrigal arbitration. Thus, I find that the sole reason for refusal to sign the contract on November 12, 2009, was the statement made at the Madrigal arbitration hearing on November 4, 2009.

JSC offered to sign the final blue-line form of the contract if SCG would reformat and redat Side Letter 189.

Accordingly to Franke, after JSC refused to sign the November 12, 2009, blue-line version of the contract, Olague-Pimentel handed Franke two documents and explained that JSC would not sign the contract with Counter U-83-A as written. Olague-Pimentel stated that JSC would sign the contract, however, if Side Letter 189 was altered in either of two ways. The first alternative was to change the date on Side Letter 189 from March 1, 2009 to March 9, 1994.

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<sup>11</sup> Although JSC member Nancy Logan testified that another reason JSC refused to sign the booklet on November 12, 2009, was because not all of the JSC members were present to sign the booklet, she admitted that this factor was not communicated to SCG. Moreover, I note that there is no dispute on the record that provisions had been made to secure the signatures of those not present. Accordingly, I do not find that absence of some JSC members constituted a reason for refusal to sign.

This would support UWUA's argument in the Madrigal arbitration that Side Letter 195 with its grievance and arbitration rights for part-time employees (which would remain dated March 1, 2009) superseded Side Letter 189 with the at-will language (which under this alternative proposal would now be dated March 9, 1994). Another component of this first alternative was moving the language about the dues from Side Letter 189 to a separate and new side letter of agreement. The second alternative Olague-Pimentel offered was to move the dues section that was at the top of side letter of agreement 189 to Side Letter 195. With this alternative, JSC also proposed redating Side Letter 189 March 9, 1994. In both alternatives presented to SCG, the at-will provision regarding part-time employees would remain unchanged.

SCG did not accept either of JSC's alternatives and presented a final draft copy of the 2009–2011 collective-bargaining agreement to JSC to be signed.

After JSC informed SCG that it would not sign the contract "as-is" unless one of the two alternatives described above was accepted, the parties decided to take a break for lunch. During the break, SCG made some last-minute typographical corrections to the final draft of the 2009–2011 collective-bargaining agreement. At around 1 pm the bargaining parties met again, although some JSC members who were present in the morning session were not present in the afternoon. In the afternoon session, the parties further discussed the at-will issue. Sometime in the afternoon, the parties decided to take another break. At 4:19 pm, SCG provided JSC with a clean final copy of the 2009–2011 collective-bargaining agreement, which could be signed and sent to the printer. This copy contained no changes to either Side Letter 189 or 195.

In response to Olague-Pimentel's alternatives to Side Letter 189, Franke showed Olague-Pimentel proposal U-83-A and Counter U-83-A which included SCG's strike through language, the counter proposal summary, and the page on which SCG stamped the date of JSC's acceptance of Counter U-83-A. Olague-Pimentel asked Franke if SCG was willing to make the changes that she suggested. Franke replied that SCG would not change the contract and stated that she thought it would be unethical to change what the parties had already agreed to. According to Franke, SCG rejected the elimination of the at-will language because this change would drastically alter Counter U-83-A which was previously accepted by the members of JSC and ratified by the membership. At the end of the meeting, Franke asked Olague-Pimentel if it were not for the arbitration hearing, whether JSC members would have signed the 4:19 pm version of the contract. According to Franke, Olague-Pimentel affirmed that the part-time employee at-will issue stemming from the arbitration proceeding was the only thing precluding JSC from signing the contract. In fact, no further requests for proofing edits were made by JSC. The meeting ended shortly after this exchange without the signatures needed to execute the contract.

During a meeting on November 18, 2009, to discuss automated metering, Duffy presented a version of Counter U-83-A for Franke to sign.

On November 18, 2009, SCG and JSC met to discuss automated metering. During this meeting, Duffy presented Franke with the summary page of Counter U-83-A, on which Duffy had inserted signature lines for both "the Union" and "the Company". Duffy signed this document and then back-dated his signature to March 1, 2009. Franke noticed Duffy's back-dated signature and mentioned this to Duffy. Franke also pointed out that the second page of Counter U-83-A, which contained the strikethrough language with the at-will provision and which JSC had accepted on September 18, 2008, was not attached to the document that Duffy had just presented to her. After this exchange, Franke told Duffy that she would not sign this document because without the strikethrough language page attached, this document did not encompass the entirety of Counter U-83-A that the parties actually agreed to.

On November 19, 2009 Duffy sent a faxed letter to Franke stating SCG was obligated to sign the document he presented to Franke on November 18, 2009.

5 The day after Franke refused to sign the 1-page document which containing the summary language of Counter U-83-A, Duffy faxed a letter to Franke. The letter stated, inter alia, that JSC agreed to the first page of Counter U-83-A, which was the summary page of Counter U-83-A, and that was all Respondents had agreed to on September 18, 2008. The letter also described how disappointed Duffy was that SCG was trying to sneak the at-will language into the printed contract that would essentially strip over 800 part-time employees of their right to be discharged only for cause. Moreover, Duffy wrote that the parties never discussed the elimination of the just-cause standard for discipline and discharge of part-time employees. Lastly, Duffy stated that “a deal is a deal” and urged SCG to sign the summary language page of Counter U-83-A. In the letter’s post-script, Duffy states that enclosed are two versions of Counter U-83-A. One was the summary page of Counter U-83-A dated July 31, 2008, which the JSC accepted and had the effective date of March 1, 2009. The other version had no date. Duffy had signed both versions. SCG was welcome to sign either one. The fax letter contained the two attachments Duffy referred to in his post-script.

20 On November 20, 2009, Franke sent a letter to Duffy in response to his November 19, 2009 fax stating what Duffy had sent to her to sign was not what the parties had agreed to.

25 The next day Franke sent a letter to Duffy responding to his email. The letter acknowledged receipt of Duffy’s fax and stated that the version of Counter U-83-A which Duffy was seeking SCG to accept now was different than Counter U-83-A that Respondent-JSC members accepted in September 2008. Franke explained that Counter U-83-A consists of not only the summary language, but the strikethrough language page as well. JSC’s acceptance of Counter U-83-A included the strikethrough language exactly as was presented in the 2-page document by SCG. Franke pointed out that Counter U-83-A, including the accompanying strikethrough language, remained unchanged and was not further discussed in the second round of negotiations and, ultimately, Counter U-83-A, which was contained in the tentative agreement, was ratified. Franke went on to note, that the version of Counter U-83-A, which was handed to her at the last meeting was altered by the removal of the strikethrough language page and that leaving the date blank did not explain this missing language. Franke stated that the at-will status of part-time employees was decades old and SCG did not agree to eliminate this status in the 2008/2009 contract negotiations even though JSC proposed doing so. Lastly, Franke invited Duffy to sign the agreement that was previously reached and warned that by not doing so SCG would continue to pursue an unfair labor practice charge against the Respondents. Similar correspondence ensued.

On January 14, 2010, Franke testified in the Madrigal arbitration hearing.

40 On January 14, 2010, in a continuation of the arbitration, Franke testified on behalf of SCG stating that the relationship between the at-will provision of Side Letter 189 and the Article VI rights for part-time employees in Side Letter 195, as far as SCG was concerned, was the same now as it was before the 2009–2011 collective-bargaining agreement negotiations started. Specifically, Franke testified, “Part-time employees are at-will, and part-time employees also have Section 6.3A and B rights. They exist together.”

Upon learning of Franke's testimony, JSC's lead negotiator decided to sign the final contract.

The substance of Franke's testimony was relayed to Duffy. He testified that he was satisfied that SCG's position on part-time employee rights had not changed as he and other JSC members originally believed. Consequently, Duffy agreed to sign the contract.

All parties signed the final version of the 2009–2011 collective-bargaining agreement including all companion side letters of agreement on March 23, 2010.

The parties signed the final version of the 2009–2011 collective-bargaining agreement and all side letters of agreement on March 23, 2010. The March 23, 2010 signed collective-bargaining agreement was the same version of the contract that Franke asked the members of JSC to sign on the afternoon of November 12, 2009. None of the language had been changed or altered from November 12, 2009 to March 23, 2010. More specifically, the language, signatories, and dates of Side Letters 189 and 195 in Appendix C of the 2009–2011 collective-bargaining agreement were exactly the same and had not changed since it was presented to JSC on November 12, 2009.

### **C. General Principles**

In general, pursuant to Section 8(d) of the Act, the obligation to bargain in good faith includes an obligation to execute a written contract incorporating any agreement reached, if requested by either party. A party that refuses to execute an agreed-upon contract violates Section 8(a)(5) or 8(b)(3) of the Act. *H.J. Heinz Co. v. NLRB*, 311 U.S. 514, 523–526 (1941); *Health Care Workers Local 250 (Trinity House)*, 341 NLRB 1034, 1037 (2004). Moreover, disagreements over the interpretation of agreed-upon terms do not provide a defense for refusing to sign a contract where the parties have reached agreement on the actual terms of the contract. *Windward Teachers Assoc. (Windward School)*, 346 NLRB 1148, 1150 (2006); see also, *Teamsters Local 617 (Christian Salvesen)*, 308 NLRB 601, 603 (1992). “Subjective misunderstandings or misunderstandings about the meaning or terms which have been agreed to are irrelevant provided the terms themselves are unambiguous as judged by a reasonable standard.” *Ebon Services*, 298 NLRB 219, 223 (1990), *enfd. mem.* 944 F.2d 897 (3d Cir. 1991). Similarly, a party may not delay execution of an agreed-upon collective-bargaining agreement. *Waxie Sanitary Supply*, 337 NLRB 303 (2001).

### **D. Conclusions of Law**

The Parties Reached a Meeting of the Minds Regarding Side Letters 189 and 195 as set forth in the September 18, 2008 and the January 31, 2009 tentative agreements.

Side Letter 189 has been in place since 1994 and until renegotiation of part of the language of this side letter in 2009, the date on Side Letter 189 was March 9, 1994. The language relevant to the Madrigal arbitration, contained in various predecessor agreements, including the 2005–2008 agreement, states, “part-time and full-time temporary employees are terminable at will.” This identical language is contained in Counter U-83-A which was accepted by JSC on September 18, 2008. The language in this sentence is unambiguous. However, the parties agreed to a change in another clause of Side Letter 189; i.e., they agreed that part-time employees would begin paying union dues after 520 hours of “cumulative” (rather than “continuous”) employment (and deleted “in a 12 month period”). Thus the parties’ change accelerated the date for joining the unit and payment of dues by part-time employees. Due to this change and consistent

with the parties' past practice, Side Letter 189 was redated March 1, 2009, to show that the exact language in Side Letter 189 was implemented on that date.

Side letter 195 in the 2005–2008 contract provided, "Part time employees with 6 months of service will be afforded all rights under Article VI for any discipline received from Section 6.3(A) or Section 6.3(B)." This language is also unambiguous.<sup>12</sup>

There is no dispute that during the 2008–2009 negotiations, both the at-will language in Side Letter 189 and the just cause language in Side Letter 195 were agreed to, ratified and implemented. No changes were made during the editing process. Thus, the parties had a meeting of the minds on these two clauses. Not once during the editing process did Respondents ask for any editing changes to the at-will language or question the redating of either side letter 189 or 195.

Respondents violated Section 8(b)(3) of the Act by refusing to sign the booklet form of the contract and by delaying signing the booklet form of the contract.

Based on the record as a whole, I find that Respondents simply refused and delayed signing the booklet contract because they wanted to renegotiate side letter of agreement 189 to improve their position in the Madrigal arbitration.<sup>13</sup> Specifically, Respondents were concerned that the March 1, 2009 date on both Side Letters 189 and 195 would be construed by the Madrigal arbitrator to mean that Side Letter 189 superseded Side Letter 195; i.e., the at-will provision superseded the just cause provision. However, consistent with the parties' practice, the side letters were always redated if changes were made. Because the parties reached full agreement in January 2009 and because no changes were requested during the editing process regarding Side Letter 189 or 195, I find that Respondents, by refusing to sign the edited final language of the booklet form on November 12, 2009, violated Section 8(b)(3) of the Act. Similarly, because Respondents delayed signing the booklet from November 12, 2009, until March 23, 2010, they violated Section 8(b)(3) of the Act.

Respondents' Defenses Do not Alter My Conclusion that Respondents violated Section 8(b)(3) of the Act by refusing to sign and delaying signing the booklet form of the contract.

- Respondents argue that the Act was not violated by refusal or delay in signing the booklet because the collective-bargaining agreement was fully memorialized in the tentative agreement which they signed on January 31, 2009.

Noting that they signed and ratified the January 31, 2009, tentative agreement and that SCG implemented this tentative agreement in March 2009, Respondents argue that refusal or delay in signing the booklet form had no effect on either the existence of an agreement or its implementation. Thus, Respondents characterize the tentative agreement as best representing the parties executed agreement. I reject this argument.

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<sup>12</sup> During successor bargaining, no changes were made to the above language although other clauses in side letter of agreement 195 were renegotiated.

<sup>13</sup> Respondent JSC is an agent of UWUA and UCWUC. Although the amended complaint names JSC as a Respondent, I find that JSC acted as an agent only.

There is no dispute that the tentative agreement was a mere summary of the agreement. The tentative agreement is a 17-page document which sets forth changes in a summary fashion. None of the Appendices were attached. Clearly, final contract language, proof reading and editing were envisioned and, in fact, took place. Once this process was completed, the contract was presented on November 12, 2009, and Respondents were obligated to sign it.

- Respondents argue that even if the contract was not fully executed when the tentative agreement was ratified, Respondents were not obligated to sign a potentially inaccurate booklet.

Respondents argue that they were not required to sign the booklet when they had outstanding concerns that SCG believed the new agreement obviated the rights of part-time employees to just cause standards for discipline and discharge and to grieve such actions. I reject this argument. There was no dispute about the language of either Side Letter 189 or 195. There was complete agreement on the language of the booklet presented on November 12 for signature. The cause for controversy was a subjective misunderstanding about the impact of redating the two side letters. The terms themselves are unambiguous as judged by a reasonable standard.

- Respondents argue that their refusal to sign the November 12 booklet was a reasonable exercise of caution undertaken in good faith

Initially Respondents assert that SCG presented the booklet on November 12 after “several months of resisting Respondents’ efforts to prepare a booklet that strictly incorporated the Tentative Agreement.” Apparently Respondents refer to the back and forth editing process in which JSC’s Logan provided lists of typographical errors. Accordingly, Respondents assert that vigilant attention to detail was warranted. Certainly, such attention to detail may be an admirable quality. However, I note that attention to detail had nothing to do with the November 12 refusal to sign. As I have found, the sole reason Respondents refused to sign was the statement made by SCG in the Madrigal arbitration. Refusal to sign had nothing to do with wanting another opportunity to proofread the printed booklet form of the contract. Moreover, the booklet form signed on March 23, 2010, was identical to the booklet form presented on November 12, 2009.

Counsel for the Acting General Counsel’s Posthearing Motion to Strike Portions of Respondent ICWUC’s Posthearing Brief is granted

Attached to Respondent ICWUC’s brief were three documents labeled as Appendices A, B, and C. These documents were not introduced in this proceeding. Counsel for the Acting General Counsel requests that these documents and all argument in the brief regarding these documents be struck from the record. Further, counsel for the Acting General Counsel moves to strike paragraph 1 of footnote 1 of Respondent ICWUC’s brief as it relates to a pretrial conference call dealing with resolution of subpoena issues. Respondents oppose this motion arguing that administrative notice of the appendices is appropriate. However, the appendices were not introduced during the hearing before me, no request for administrative notice was made during the hearing and, having examined the documents, I find they are not relevant to any issue before me. For those reasons, I strike Appendices A, B, and C and all argument

regarding these appendices. Further, to the extent Respondent ICWUC's appendage of three additional documents labeled Appendices D, E, and F to its "opposition to General Counsel's Motion to Strike" constitutes a motion to take administrative notice of these documents, such motion is denied for the same reasons.

Paragraph 1 of footnote 1 in Respondent ICWUC's brief asserts that I made various statements during an all-party, pretrial conference call in which I ruled on petitions to revoke subpoenae. Not only is the statement attributed to me inaccurate and unhelpful, it is also totally superfluous given that Respondent made certain stipulations regarding these matters. Any statements made during this pretrial conference are totally outside the record in this case. Accordingly, paragraph 1 of footnote 1 of Respondent ICWUC's brief is also struck.

Respondents' Motion that the Record in this Proceeding be Re-opened is Denied.

Respondents alternatively request that the record be reopened to allow introduction of the three appendix documents as well as the testimony of a witness regarding his good-faith basis to believe that SCG acknowledged that part-time employees had just cause rights under the 2005–2008 contract. However, no extraordinary circumstances warranting reopening of the record are cited. Appendices A and B do not constitute newly discovered and previously unavailable evidence. These documents predate the hearing in this proceeding. The remaining document (Appendix C) is dated July 20, 2010. However, neither it nor the other documents bears the slightest relationship to these proceedings. If adduced and credited, none of these documents would require a different result. Similarly, the testimony of John C. Lewis, if adduced, regarding his good-faith basis to believe that SCG agreed that part-time employees had just cause rights under the 2005–2008 contract is on the record to some extent. Further testimony in this regard would not alter the result herein. See Sec. 102.48(d)(1) of the Board's Rules and Regulations. For these reasons, the motion to reopen the record is denied.

Respondents' Motion that Administrative Notice be Taken of the Arbitration Award is Denied.

By motion of October 14, 2010, UWUA and JSC joined by ICWUC filed a motion for administrative notice of the Madrigal arbitration award of September 3, 2010, as well as administrative notice of SCG's Labor Relations Bulletin dated September 10, 2010. In essence, Respondents argue that because they won the Madrigal arbitration, their action in delaying signing the contract was "reasonable." The Acting General Counsel as well as SCG oppose the request for administrative notice arguing, inter alia, that the documents are irrelevant. I agree that these documents are irrelevant to the issue of whether Respondents violated Section 8(b)(3) of the Act.

Having found that the Respondents Utility Workers Union of America, AFL–CIO (UWUA), International Chemical Workers Union Council UFCW (UCWUC), UWUA-UCWUC Joint Steering Committee have engaged in certain unfair labor practices, I find that they must be ordered to cease and desist and to take certain affirmative action designed to effectuate the policies of the Act.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended<sup>14</sup>

## ORDER

The Respondents, their officers, agents, and representatives, shall cease and desist from failing and refusing to bargain collectively with Southern California Gas Company by failing and refusing to sign the collective-bargaining agreement submitted to them on November 12, 2009, and by delaying in signing the collective-bargaining agreement submitted to them on November 12, 2009, until March 23, 2010. The Respondents shall further cease and desist in any like or related manner restraining or coercing employees in the exercise of the rights guaranteed them by Section 7 of the Act.

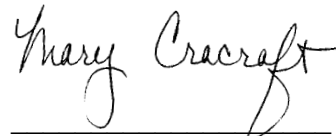
The Respondents shall take the following affirmative action to remedy the unfair labor practice and to effectuate the policies of the Act:

Within 14 days after service by the Region, post at their offices and union halls in Los Angeles, California, copies of the attached notice marked "Appendix."<sup>15</sup> Copies of the notice, on forms provided by the Regional Director for Region 21, after being signed by the Respondents' authorized representatives, shall be posted by the Respondents and maintained for 60 consecutive days in conspicuous places including all places where notices to employees and members are customarily posted. Reasonable steps shall be taken by the Respondents to ensure that the notices are not altered, defaced, or covered by any other material.

Sign and return to the Regional Director sufficient copies of the notice for posting by Southern California Gas Company, if willing, at all places where notices to employees are customarily posted.

Within 21 days after service by the Region, file with the Regional Director a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondents have taken to comply.

Dated, Washington, D.C., November 4, 2010.



Mary Miller Cracraft  
Administrative Law Judge

<sup>14</sup> If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

<sup>15</sup> If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."



## APPENDIX

### NOTICE TO EMPLOYEES

Posted by Order of the  
National Labor Relations Board  
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this Notice.

FEDERAL LAW (Section 7 of the National Labor Relations Act) GIVES YOU THE RIGHT TO

Form, join, or assist a union  
Choose representatives to bargain with us on your behalf  
Act together with other employees for your benefit and protection  
Choose not to engage in any of these protected activities

WE WILL NOT fail or refuse to bargain collectively with Southern California Gas Company by failing and refusing to sign the collective-bargaining agreement submitted to us by Southern California Gas Company on November 12, 2009, and by delaying signing the collective-bargaining agreement until March 23, 2009.

WE WILL NOT in any like or related manner restrain or coerce you in the exercise of the rights guaranteed you by Section 7 of the Act.

<b>UTILITY WORKERS UNION OF AMERICA, AFL-CIO (UWUA) (LABOR ORGANIZATION)</b>	<b>INTERNATIONAL CHEMICAL WORKERS UNION COUNCIL- UFCW (ICWUC) (LABOR ORGANIZATION)</b>	<b>UWUA-ICWUC JOINT STEERING COMMITTEE (AGENT OF UWUA AND ICWUC FOR PURPOSES OF BARGAINING SUCCESSOR CONTRACT)</b>
Dated:	Dated:	Dated:
By:	By:	By:
Title:	Title:	Title:

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret-ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: [www.nlrb.gov](http://www.nlrb.gov).

888 South Figueroa Street, 9th Floor

Los Angeles, California 90017-5449

Hours: 8:30 a.m. to 5 p.m.

213-894-5200.

#### **THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE**

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER, 213-894-5229.